Court File No. CV-25-00738703-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MADAM	)	TUESDAY, THE 9TH
	)	
JUSTICE J. DIETRICH	)	DAY OF SEPTEMBER, 2025

B E T W E E N :

CERRUTI INVESTMENTS INC.

Applicant

- and -

2616766 ONTARIO LIMITED

Respondent

IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

SALE PROCESS APPROVAL AND ANCILLARY RELIEF ORDER

THIS MOTION, made by KSV Restructuring Inc. in its capacity as Court-appointed receiver and manager (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings and properties of 2616766 Ontario Limited (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, for an order, *inter alia,* (i) approving a sale process (the "**Sale Process**") for the Debtor's property, including the real property municipally known as 6500 Cantelon Drive, Windsor, Ontario (the "**Real Property**"); (ii) amending the Order (Appointing Receiver) of this Court dated April 17, 2025 (the "**Receivership Order**"), to increase the Receiver's borrowing power and grant a corresponding increase to the Receiver's

Borrowings Charge (as defined in the Receivership Order); and (iii) approving the activities of the Receiver and the fees and disbursements of the Receiver and those of its counsel in the within proceedings, was heard this day by videoconference.

ON READING the Notice of Motion of the Receiver dated September 3, 2025, the First Report of the Receiver dated September 3, 2025 (the "**First Report**"), the affidavit of Noah Goldstein sworn September 3, 2025 (the "**KSV Fee Affidavit**"), the affidavit of Josh Sloan sworn September 2, 2025 (the "**Goodmans Fee Affidavits**"), and on hearing the submissions of counsel for the Receiver and the other parties that were present as reflected on the participant information form, no one appearing for any other party although duly served,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINITIONS

2. **THIS COURT ORDERS** that all terms not otherwise defined herein shall have the meaning ascribed thereto in the First Report or the Receivership Order, as applicable.

APPROVAL OF LISTING AGREEMENT

3. **THIS COURT ORDERS** that the Listing Agreement, engaging CBRE Limited ("**CBRE**") substantially in the form attached as Appendix B to the First Report (the "**Listing Agreement**"), and the retention of CBRE under the terms thereof, is hereby approved and the Receiver is authorized to enter into the Listing Agreement and make the payments contemplated

thereunder when earned and payable in accordance with the terms and conditions of the Listing Agreement.

SALE PROCESS APPROVAL

4. **THIS COURT ORDERS** that the Sale Process, as described in section 4.4 of the First Report, be and is hereby approved and the Receiver and CBRE are hereby authorized and directed to implement the Sale Process. The Receiver and CBRE are hereby authorized and directed to do all things reasonably necessary or desirable to give full effect to the Sale Process and to perform their respective obligations thereunder, subject to prior approval of the Court being obtained before the completion of any transaction(s) under the Sale Process.

5. **THIS COURT ORDERS** that the Receiver, CBRE and their respective affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and controlling persons (collectively, the "**Sale Process Parties**" and each, a "**Sale Process Party**") shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any Person in connection with or as a result of the Sale Process, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of a Sale Process Party (with respect to such Person alone) in performing their obligations under the Sale Process, as determined by this Court in a final order that is not subject to appeal or other review and all rights to seek any such appeal or other review shall have expired.

6. **THIS COURT ORDERS** that in overseeing the Sale Process, the Receiver shall have all of the benefits and protections granted to it pursuant to the Receivership Order, any other Order of this Court in the within proceedings, the BIA, the CJA and otherwise provided by law.

7. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in connection with the Sale Process or the implementation thereof.

PIPEDA

8. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 and any similar legislation in any other applicable jurisdictions, the Sale Process Parties are hereby authorized and permitted to disclose and transfer to Persons participating in the Sale Process and their respective advisors personal information of identifiable individuals, but only to the extent required to facilitate diligence in respect of, negotiate or attempt to complete a transaction pursuant to the Sale Process (a "**Transaction**"). Each Person participating in the Sale Process to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Transaction, and, if it does not complete a Transaction, shall return all such information to the Receiver, or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Receiver. Any successful bidder in the Sale Process shall maintain and protect the privacy of such information and, upon closing of the Transaction(s) contemplated in the successful bid(s), shall be entitled to use the personal information provided to it that is related to the property acquired pursuant to the Sale Process in a manner that is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Receiver.

RECEIVER BORROWINGS

9. **THIS COURT ORDERS** that paragraph 22 of the Receivership Order is hereby amended by replacing the existing reference to "$1,000,000" with "$2,000,000", such that, after giving effect to such amendment, paragraph 22 of the Receivership Order shall provide as follows:

> THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $2,000,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts (including, without limitation, deemed trusts), liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

APPROVAL OF CERTAIN PAYMENTS

10. **THIS COURT ORDERS** that the Receiver is hereby authorized to make (or cause to be made) the following payments (collectively, the "**Payments**" and each a "**Payment**"):

(a) to 2763161 Ontario Limited in respect of interest due for the months of September to December, 2025, under a construction loan commitment dated March 27, 2023 (as amended, restated, extended, supplemented or otherwise modified from time to time), which is not to exceed $120,000 per month; and

(b) to the Corporation of the City of Windsor in respect of outstanding, current and future municipal property taxes owing in respect of the Real Property.

11. **THIS COURT ORDERS** that the Receiver, its counsel and other agents are hereby authorized to take all necessary steps and actions to effect the Payments in accordance with the provisions of this Order, and shall not incur any liability as a result of making the Payments.

12. **THIS COURT ORDERS** that the Payments shall be made free and clear of all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Receivership Order; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system.

13. **THIS COURT ORDERS** that, notwithstanding:

(a) the pendency of these proceedings;

(b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made in respect of the Debtor;

the Payments shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

10. **THIS COURT ORDERS** that the Receiver and its agents shall be entitled to deduct and withhold from any Payment such amounts as may be required to be deducted or withheld with respect to the Payment under the *Income Tax Act* (Canada) or other applicable laws and to remit such amounts to the appropriate governmental authority ("**Governmental Authority**") or other person entitled thereto. To the extent that amounts are so withheld or deducted and remitted to the appropriate Governmental Authority or other person, such withheld or deducted amounts shall be treated for all purposes as having been paid pursuant to this Order to such person as the remainder of the Payment in respect of which such withholding or deduction was made.

14. **THIS COURT ORDERS** that the Payments contemplated herein shall not constitute a "distribution" by the Receiver and the Receiver shall not constitute a "legal representative", "representative" or a "responsible representative" of the Debtor or "other person" for the purposes of Section 159 of the *Income Tax Act* (Canada), section 117 of the *Taxation Act,* 2007 (Ontario), Section 270 of the *Excise Tax Act* (Canada), Sections 46 and 86 of the *Employment Insurance Act* (Canada), Section 22 of the *Retail Sales Tax Act* (Ontario), Section 107 of the *Corporations Tax Act* (Ontario), or any other similar federal, provincial or territorial tax legislation (collectively, the "**Statutes**"), and the Receiver is not "distributing", nor shall it be considered to have "distributed", such funds for the purposes of the Statutes, and the Receiver shall not incur any liability under the Statutes in making any Payments in accordance with this Order or failing to withhold amounts ordered or permitted hereunder, and the Receiver shall not have any liability for any of the Debtor's tax liabilities regardless of how or when such liabilities may have arisen, and is hereby forever released, remised and discharged from any claims against the Receiver under or pursuant to the Statutes or otherwise at law arising as a result of the Payments contemplated in this Order, and any claims of such nature are hereby forever barred.

APPROVAL OF THE RECEIVER'S REPORT, ACTIVITIES AND FEES AND EXPENSES OF THE RECEIVER AND ITS COUNSEL

15. **THIS COURT ORDERS** that that the First Report, and the activities of the Receiver referred to therein, be and are hereby approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

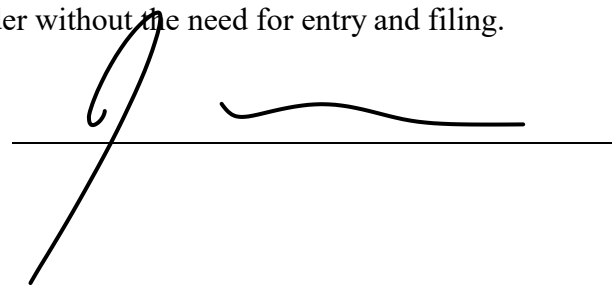
16. **THIS COURT ORDERS** that the fees and disbursements of the Receiver for the period from April 17, 2025, to July 31, 2025, all as set forth in the First Report and the KSV Fee Affidavit attached thereto, and the payment thereof, are hereby approved.

17. **THIS COURT ORDERS** that the fees and disbursements of the Receiver's counsel for the period from February 26, 2025 to August 25, 2025, all as set forth in the First Report and the Goodmans Fee Affidavit attached thereto, and the payment thereof, are hereby approved.

GENERAL

18. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any other foreign jurisdiction to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

19. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto Time) on the date of this Order without the need for entry and filing.



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ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at Toronto, Ontario

SALE PROCESS APPROVAL AND ANCILLARY RELIEF ORDER

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